

The Virginia Housing Trust Fund was created by Budget Bill 108, Section G:

1. There is hereby created the Virginia Housing Trust Fund, hereafter referred to as "the Fund." Out of the amounts in this appropriation, \$7,000,000 the second year from the general fund shall be deposited into the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. The Department shall work in collaboration with the Virginia Housing Development Authority (VHDA) to provide loan origination and servicing activities as needed to carry-out the provisions of this Fund. The costs of such services will be considered an eligible use of the Fund.

2. The Department, through VHDA, shall use at least 80 percent of the moneys from the Fund to provide flexible financing for low-interest loans through eligible organizations. Such loans shall be structured to maximize leveraging opportunities. All such funds shall be repaid to the credit of the Fund. Loans may be provided for:

- Affordable rental housing to include new construction, rehabilitation, repair, or acquisition of housing to assist low or moderate income citizens, including land and land improvements;
- Down payment and closing cost assistance for homebuyers; and,
- Short, medium and long term loans to reduce the cost of homeownership and rental housing;

3. The Department may use up to 20 percent of the moneys from the Fund to provide grants through eligible organizations for targeted efforts to reduce homelessness, including:

- Temporary rental assistance, not to exceed one year;
- Housing stabilization services in permanent supportive housing for homeless individuals and families;
- Mortgage foreclosure counseling targeted at localities with the highest incidence of foreclosure activity; and,
- Pre-development assistance for permanent supportive housing and other long term housing options for the homeless.

4. Organizations eligible for funding from the Fund shall include the following: (i) localities; (ii) local government housing authorities; (iii) regional or statewide housing assistance organizations that provide assistance to low and moderate income or low-income citizens of Virginia, and (iv) limited liability companies expressly created for the purpose of owning and operating affordable housing.

5. Prior to the expenditure of any funds appropriated for the Virginia Housing Trust Fund the department, in conjunction with the Virginia Housing Development Authority, shall submit a plan outlining its proposed uses of the funds to the General Assembly. Such plan shall be provided to the Chairmen of the House Appropriations Committee and the Senate Finance Committee no later than November 1, 2012.

### **Programs**

[Virginia Housing Trust Fund Competitive Loan Pool](#)

[Virginia Housing Trust Fund homeless Reduction Grant Program](#)

[Virginia Housing Trust Fund Trust Stabilization Program \(TSp\)](#)

[Virginia Housing Trust Fund Foreclosure Counseling](#)

### **Resources**

[Virginia Housing Trust Fund Allocation Chart](#)

[Virginia Housing Trust Fund Structure and Use Plan](#)